

The Development and Governance of NPOs in China

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- The recent reforms of NPO in China

➤ Introduction of China's NPO

- Just as China's economic development miracle, the growth of nonprofit organizations in China is becoming to draw scholars' attention. China now has a large nonprofit sector in terms of number of nonprofit organizations.
- The nonprofits function in many areas, especially in the community service, economic development and environmental protection.

➤ The case of trade associations in Shanghai

- There were a total of 217 trade associations formally registered in Shanghai by the end of August 2011.
- According to the survey of 217 trade associations and some interviews of government official and four CEOs of trade associations, we have found that that trade associations are significantly less dependent on the government and they seem to be more oriented to providing services for and representing corporate members(Zhao, Wang and Thomas,2016)

➤ The case of NPOs for the disabled in Shanghai

- Shanghai is perceived to lead the nation in the reforms of public services for disabled people. For a case study in Shanghai W, a prefectural level in Shanghai, five officials from the local CDPF branch and the leaders or program managers from nine NPOs were interviewed between July 2014 and January 2015.
- The local Disabled Persons' Federation (DPF) has now begun to contract the delivery of some services to such NPOs. It is hoped that this may improve their effectiveness but the development of a contract culture in the delivery of services for disabled people may also be seen to pose a threat (Zhao and Grotz, 2019)

➤ The Recent Reforms of NPO in China

China's NPOs are experiencing the following reforms

- Firstly, governments begin to outsource services to NPOs, which is a new development in China.
- Secondly, governments relax the regulation on the registration management of NPOs.
- Third, NPO's separation reform with the government agency.
- Lastly, Chinese NPOs begin to participate in the global governance and shoulder their responsibility to the international community in the recent years.

- Firstly, governments begin to outsource services to NPOs, which is a new development in China.
- The contracts cover various services, such as education, health, social service, and community development.
- The goals of outsourcing include achieving the government's function transformation, and also promoting the development of NPOs.
- In the long run, the government probably hopes to build regular government- NPO partnerships to deliver various services.

- Secondly, governments relax the regulation on the registration management of NPOs.
- The Dual-Management System has been a typical feature of China's NPO management. An NPO seeking official registration has had to find a government professional ministry/agency (e.g., in education or health) to be a managing sponsor, in addition to having the Ministry of Civil Affairs (MOCA) as the administrative agency for registration.
- Four types of NPO (including trade associations, charities and foundations serving the public good, NPOs serving the urban and rural community, and NPOs dedicated to promoting science and technology) would be allowed to register directly with MOCA nationwide.

- Thirdly, NPO's separation reform with the government agency.
- Take the trade associations for example, the governments at different levels have to separate from trade associations in terms of staff, assets and working offices, and trade associations also should have their own bank accounts.

- Lastly, Chinese NPOs begin to participate in the global governance and shoulder their responsibility to the international community in the recent years.
- Chinese NPOs will definitely have more opportunities to get involved in the international community in the Belt and Road Initiative context, and we will see their role and impact in the near future.

Thank you

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